

Plaintiffs' Exhibit 61



Non-Premium Display Competitive Deep Dive

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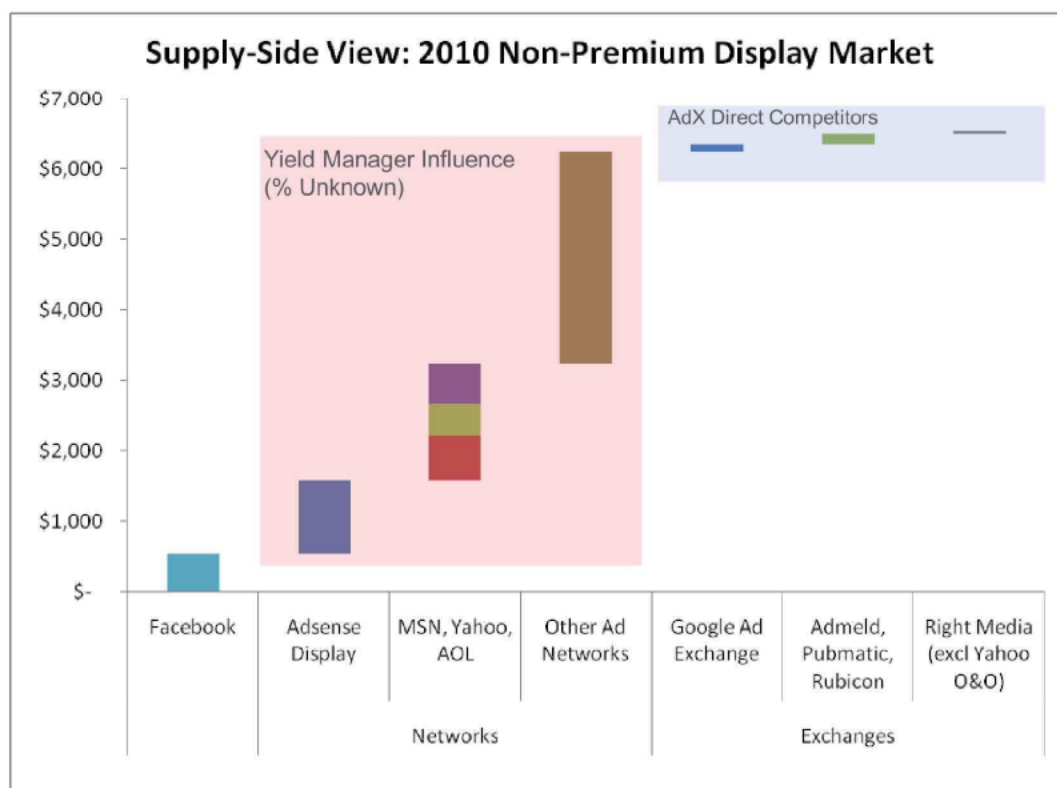
Agenda



Objective : Understand competitive landscape for non-premium display market, how Google fits in, and the plan to address gaps

1. Market Overview
2. Buy-Side Details
3. Sell-Side Details
4. The Wild Cards
5. Conclusions and Next Steps

Exchanges and Yield Managers Monetizing A Small Portion of Publisher Inventory Today, However Yield Managers Threaten to Impact Current AdSense Business and Future Supply-Side Prospects



- Yield Managers are now “owning the remnant tag” for an unknown % of dollars flowing through ad networks and pose a significant threat to both AdSense and AdX growth
- We estimate that AdX is already the largest exchange in monetizing third party inventory.
 - Since the bulk of Right Media impressions are actually Yahoo O&O, Right Media is less significant of a competitor compared to the buy-side

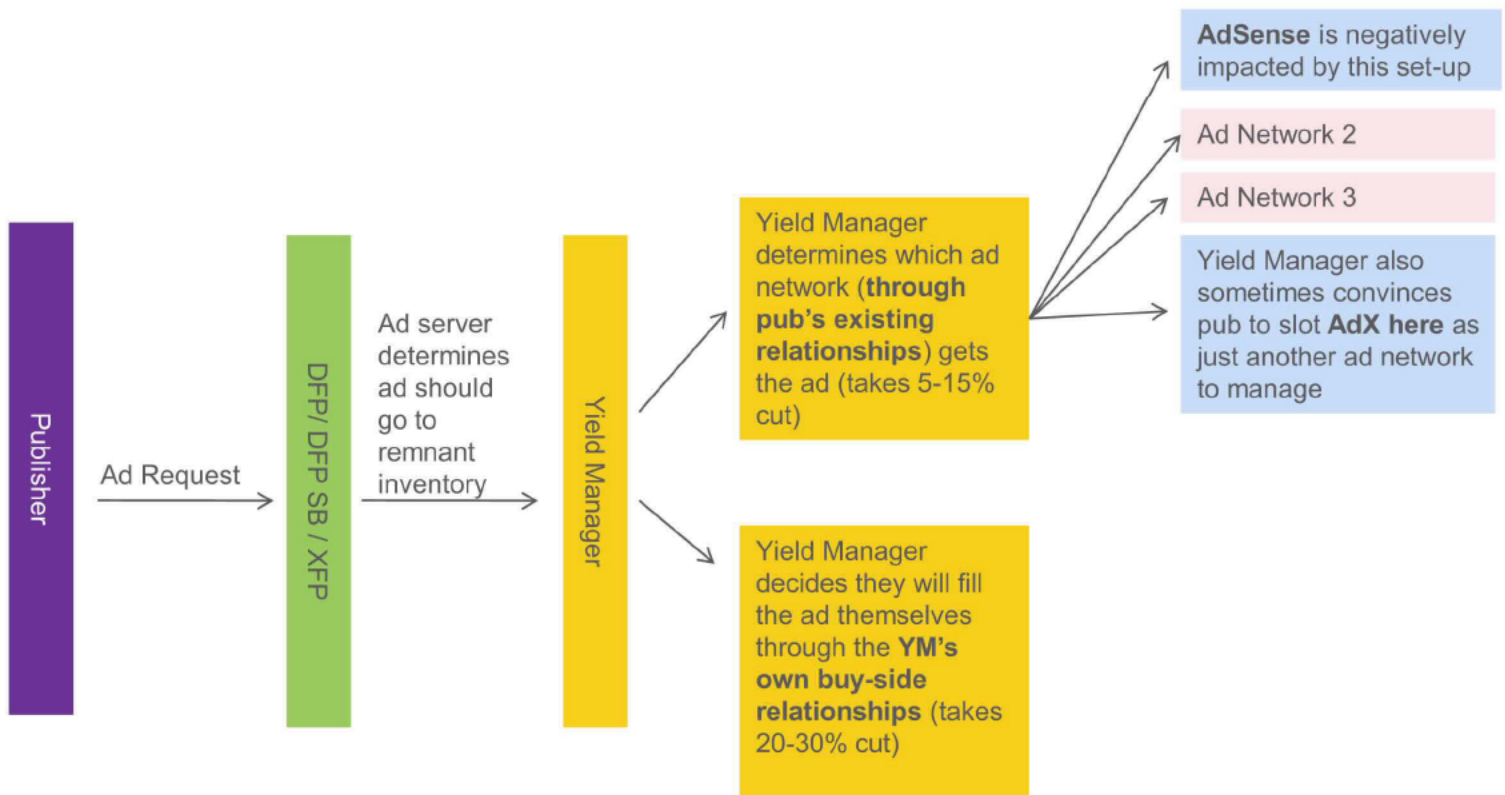
Assumptions/Sources:

- Non-Premium Display Overall Market Size – ThinkEquity May 2009
- Facebook, eMarketer, Dec 2009, subtracted 10% for homepage reservations (only reservation product)
- AdSense Display – Internal reporting. Note that there is likely some influence of the YMs on AFC text earnings for premium pubs, but also minimal influence on torso/tail AFC display earnings so this analysis uses just total AdSense Display revenue as a proxy for all AFC Text and Display revenue that could be under YM influence
- MSN, Yahoo, AOL – Q2 Earnings Reports for overall Display Revenue extrapolated for full year 2010
 - MSN – Subtracted out revenue attributable to Bing – JP Morgan July 2009
 - MSN, Yahoo – Estimated 40% of Display revenue that is non-premium (ratio of Ad.com/AOL reported in earnings)
 - Right Media – % of Yahoo non-premium that is RMX based on Comscore pageviews
- Other Ad Networks – Comscore pageviews * estimated revenue per pageview. Estimated RPV from Valueclick, AOL, Yahoo (earnings reports)
- Yield Managers – Interviews with AdX and Invite Media sales, only includes monetization revenue spent directly with YMs

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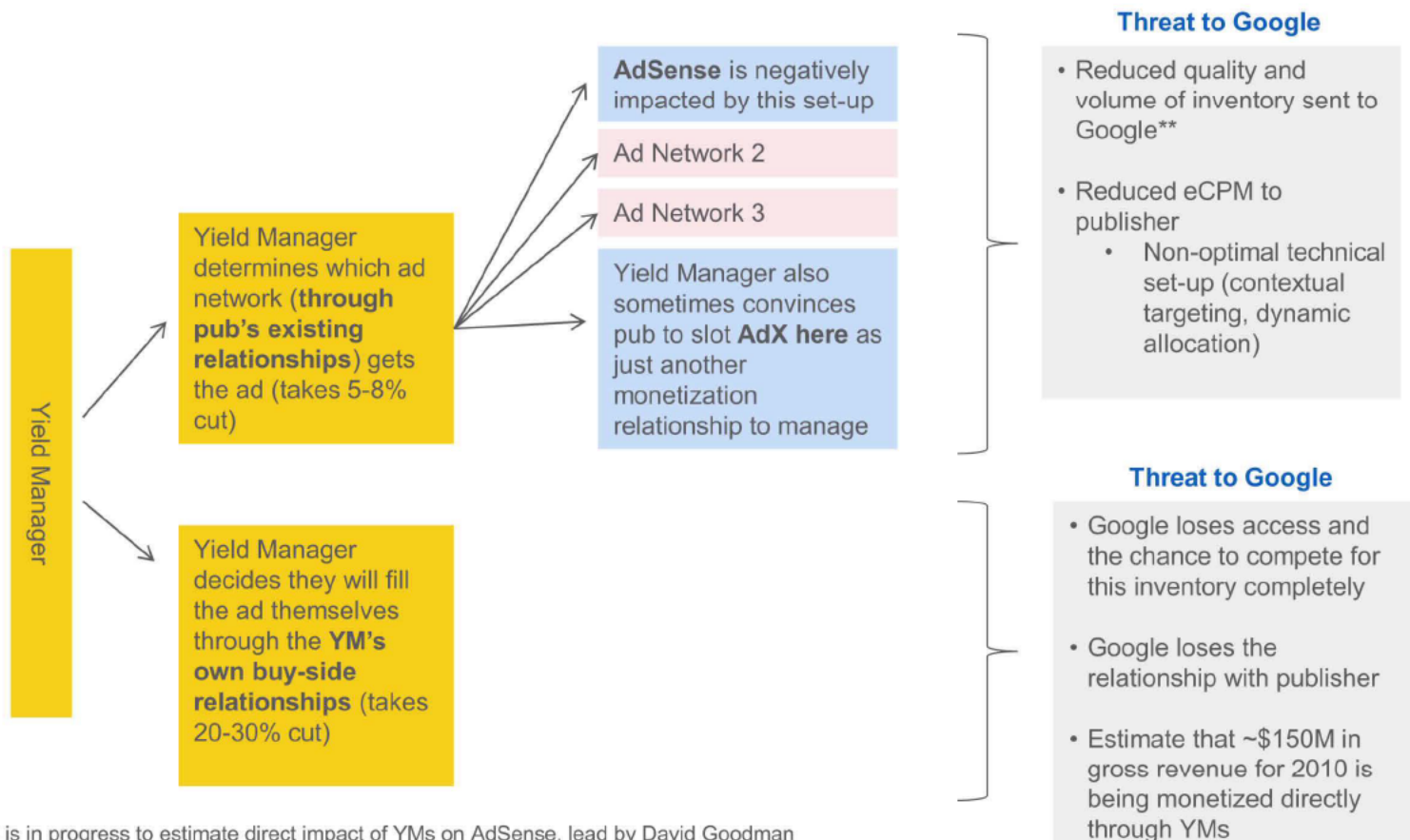
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Yield Managers Have Disintermediated Google's Monetization Solutions and "Own the Remnant Tag"



Note: Private Ad Exchanges are a third type of business that the Yield Managers and Google are entering into, and the YMs are gaining traction based on charging lower rates (5-10%)

Although the Direct Revenue Impact of Yield Managers is Small Today*, The Long-Term Implications Are Significant as YMs Have Increasing Control over Monetization Decisions



* Work is in progress to estimate direct impact of YMs on AdSense, lead by David Goodman

** Note that YMs often prioritize AdSense last in their decisioning logic (meaning Google gets the worst inventory that everyone else passes up) since YMs will prioritize high eCPMs but low fill rates first versus AdSense's low average eCPM but close to 100% fill rate.

** In one example AdSense customer, revenue and volume went down by 70% after integrating a Yield Manager

Competitive Intel: Rubicon



Key Stats

- Founded in 2007
- \$42M in funding led by Mayfield and NBCU's Peacock Fund
- Mission is to "to automate the \$65 billion global online advertising industry"
- 150+ employees world wide
- Headquarters in Los Angeles; offices in NYC, London, and Sydney
- Claims more than 550 ad network partners; reality is closer to 100 active partners
- Processes 1.5-1.6B daily impressions (45-50B monthly)
- Business terms – 10-15% revshare of all managed revenue; most clients at 10%
- Customers are primarily large media companies, particular newspapers
- Strong customer service, but weak product, particularly on the buy side
- Still no support for RTB (in limited beta testing now)

Key Strengths

- Strong service component for publishers – all major accounts have account director, account manager, and yield managed dedicated
- Critical mass – amongst the optimizers they have most inventory and the best names
- Marketing – they defined the optimizer space and have very good understanding of and marketing message around publisher problems and needs
- Pub UI is very well developed and user friendly

Key Customers

- Gannett (incl. USA Today and local papers)
- NBC Universal (all major properties plus local news)
- Tribune
- Freedom
- Time Inc. (incl. SI.com)
- Careerbuilder
- NY Daily News
- McClatchy
- MediaNews Group
- Washington Post

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Competitive Intel: Ad Meld



Key Stats

- Founded in 2007
- \$15 Million total to date funding led by Foundry Group, Spark Capital
- Mission is to help premium publishers “maximize revenue from their ad inventory, reduce operating costs and eliminate unwanted ads”
- Claims to have 200 partners world wide
- 40 employees
- Business terms: Rev share basis between 7-15%
- Relationship with buyers: Allow networks (100 plus) also manage publisher

Key Strengths

- Full service for large premium partners
- Clearing house for payments
- Real Time Bidding
- Creative controls
- Fire Meld plug in for ad removal

Key Customers

- Answers.com
- Accuweather
- Pandora
- Discovery
- Hearst
- Billboard

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Competitive Intel: Pubmatic



Key Stats

- Founded in 2006 in PaloAlto, Ca
- Funding is less than \$15M to date
- Have 2 service offerings: Premier : full service solution and a standard self service implementation.
- In premium service there is a rev share and full service capabilities. In addition, Pubmatic requires you to participate in their proprietary network AdFlex
- Premier solution requires more than 100M impressions per month
- Claim 5000-6000 publishers
- 50 Employees
- Technology continually monitors which eCPM is delivering on a partners inventory and dynamically shift which network is getting access.

Key Strengths

- Full service on premier model
- RTB Integration optional
- Flexible inventory set up options
- Reporting
- Creative controls

Key Customers

- United Online
- IAC
- Huffington Post
- TV Guide
- eBAY

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